

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE OF PAGES 1 6		
2. AMENDMENT/MODIFICATION NO. 0003		3. EFFECTIVE DATE -10/01/04		4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (If applicable) Turkey and Northern Iraq	
6. ISSUED BY Defense Energy Supply Center 8725 John J. Kingman Road, Suite 2941 Ft. Belvoir, VA 22060-6222 P.Jacobs/DESC-FPA/703-767-9328 Purchase Program: 6.1		CODE SCO600		7. ADMINISTERED BY (If other than Item 6)		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street county state Zip Code)				(✓)		9A. AMENDMENT OF SOLICITATION NO.	
				X		SP0600-04-R-0137	
						9B. DATED (SEE ITEM 11) August 25, 2004	
						10A. MODIFICATION OF CONTRACT/ORDER NO.	
						10B. DATED (SEE ITEM 13)	
CODE :		FACILITY CODE		Cage Code:			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<p>[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [] is extended [X] is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning <u>1</u> copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted ; or (c) by separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>							
12. ACCOUNTING AND APPROPRIATION DATA (If required)							
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.							
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.							
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)							
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:							
D. OTHER Specify type of modification and authority)							
E. IMPORTANT: Contractor [] is not, [] is required to sign this document and return ___ copies to the issuing office.							
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) This Amendment is being issued to revise the Performance Work Statement deleting the Turkey requirement. Clause B34.01.100 has been revised and is attached. The closing date has been extended to 3:00 P.M. Friday, October 15, 2004. Revised proposals may be submitted by mail to Defense Energy Support Center, ATTN: Patricia Jacobs/DESC-FPA/Room 2945, 8725 John J. Kingman Road, Suite 4950 Fort Belvoir, VA 22060-6222 or via e-mail to Patricia.Jacobs@dla.mil or by fax to 703.767.0766. .							
15A. NAME AND TITLE OF SIGNER (Type or print)				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)			
15B. CONTRACTOR/OFFEROR		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA		16C. DATE SIGNED	
(Signature of person authorized to sign)				(Signature of Contracting Officer)			

**PERFORMANCE WORK STATEMENT
FOR MANAGEMENT AND OVERSIGHT OF
FUEL DISTRIBUTION SUPPORT FOR OPERATION IRAQI FREEDOM**

PURPOSE AND SCOPE

Establish contract services support for management and oversight (M&O) of fuel distribution to the U.S. military in Iraq. The applicable fuels include unleaded gasoline (MTP), diesel (T54), jet fuel ("JP-8") and AVGAS. Contractor will accept validated requirements from Defense Energy Support Center-Europe, coordinate fulfillment of requirements with DESC fuel, transportation, and Turkish officials, monitor shipments throughout the supply chain from Turkish border to final destination and vehicle return, expedite convoys, solve logistical problems and collect fuel samples as need to resolve quality issue en-route to destination as needed, and report daily activity and convoy status.

BACKGROUND

DESC has been tasked to provide sustainment fuel to U.S. military units operating in Iraq in support of Operation IRAQI FREEDOM. DESC responsibilities include procuring the required fuels, conducting quality oversight of fuel en route to destination, and transporting the fuels to designated distribution points. The DESC-Europe office is responsible for overseeing these tasks within Turkey. The DESC-Europe office is responsible for providing fuel to destinations within the Northern Iraq Zone (NIZ), to include discharge locations at Mosul, Tikrit, Kirkuk, and Balad. The M&O contractor would assume responsibility for conducting oversight of the DESC-Europe Operation Iraqi Freedom in Northern Iraq, with the exception of procurement tasks and tasks contracted out to others. The M&O contractor's duties would also include duties that are not currently being performed by DESC, such as oversight of the fuel en route, assisting the fuel and transportation contractors in clearing Customs, assisting in resolution of product quality dispute's inside Iraq as directed by DESC Europe and monitoring the supply chain for delays.

GENERAL REQUIREMENTS

Travel Requirements – Travel necessary for the performance of this contract will be reimbursed in accordance with FAR 31.205-46 and Joint Travel Regulations (JTR).

Allowable Costs Travel costs include per diem, car rental, local ground transportation and airfares. Per Diem will not exceed rates authorized by the JTR in effect at the time the expense is incurring. Travel costs do not include the wages and salaries of the travelers, nor other costs such as allocated direct costs and indirect costs.

Prior Approval – The contractor shall furnish the following information to DESC-Europe for approval prior to the date of travel: a) purpose of travel, b) proposed destination, c) proposed duration of travel, d) proposed number of personnel that will be traveling, and e) estimated cost of travel.

Unscheduled Travel – In situations where prior notice is not feasible, Contractor shall notify DESC-Europe within five working days after travel begins, providing the above information, plus a justification statement, which addresses the urgent need for travel and the circumstances that prevented prior notification.

Information Systems/Reporting – Information furnished to Government personnel and organizations shall be made using systems compatible with Government systems. All reports shall be submitted in English and at least one employee on each shift shall be proficient in the English language.

Standards of Conduct – The contractor shall comply with and ensure that its employees are familiar with and comply with all U.S., host country, and local laws; all treaties and international agreements (e.g., Status of Forces Agreements, Host Nation Support Agreements, and Defense Technical Agreements); and all U.S. regulations, directives, instructions, policies, and procedures which are applicable to contractors in the area of operations. The contractor shall ensure that contractor employees are aware of and comply with all orders, directives, and instructions issued by the Combatant Commander or Subordinate Commanders relating to force protection, health, safety, security or relations and interaction with local nations. See CENTCOM General Order Number 1A attached to this PWS. Any exceptions to CENTCOM General Order Number 1A shall be requested through DESC-Europe. DESC-Europe reserves the right to require removal from the job site any contractor employee who endangers persons or property; whose continued employment is inconsistent with the interests of military security; whose presence deters the accomplishment of work; or whose conduct or appearance reflects negatively on contractor. Furthermore, the US Government reserves the right to refuse to permit any contractor employee to perform services under this contract who is not in compliance with requirements of this contract (e.g., employees found to be lacking required qualifications). In such cases, DESC-Europe will advise the Contractor of the reason for requesting an employee's removal or withdrawing his authorization. The removal of a contractor employee from the job site shall not relieve

the Contractor of the requirement to provide sufficient personnel to complete the specified tasks outlines herein.

Access to Procedures, Records, Data, and Facilities – The Contractor shall allow DESC-Europe access at any reasonable time and the right to examine facilities, records and data to include any of the Contractor's books, documents, papers, or other records related to this contract. Contractor shall maintain a file of all Quality Control inspections or tests conducted by the Contractor at the direction of DESC Europe Quality Manager, to include a record of any corrective actions taken. This file shall be subject to Government review at DESC-Europe's discretion during the contract term. The file shall be the property of the Government and shall be turned over to the Government upon completion or termination of the contract. Provisions will be made to accommodate DESC representatives in the contractor M&O facility, to include a private office workspace, computer, FAX, and telephone.

SPECIFIC REQUIREMENTS.

The current scope of this mission involves M&O of transportation of up to 1 million gallons of JP-8 per day, 500,000 gallons of diesel T54 per week, and 200,000 gallons of unleaded gasoline MTP per week, although these requirements are subject to weekly fluctuations with little or no advance warning. This effort requires managing the movement of these fuels along a delivery route nearly 1000 kilometers in length and utilizing up to 1,000 tank trucks at any one given time while simultaneously ensuring product quality and security.

Fuel shipped from Turkey to Iraq moves through the following sequence of locations:

Loading Point(s)

Slopi, Turkey

Habur Gate / Turkish customs

Zaho-Ibrahim Halil Gate / Iraqi Customs

Marshalling area (Vicinity of Zaho-Ibrahim Halil Gate / Iraqi customs)

Bayji (Marshalling area south of Mosul)

Tikrit (Army Convoy Support Center)

Destination

The contractor is responsible for the following tasks at each location.

Loading Points: N/A

Coordinate with DESC JP-8 transportation contractors for the provision of escorts from Slopi, Turkey to Turkish / Iraqi border to assist with truck breakdown repair/recovery and accidents. Ensure an effective program is in place to assist drivers en route. Report accidents and action taken in daily Situation Report.

Ensure integrity and security of product en route. Conduct spot checks of trucks en route as required.

Habur Gate / Turkish customs:

Develop program to assist with customs processing (exportation) and develop monitoring/reporting program from Habur Gate to delivery destinations and from delivery destinations back to Habur Gate. Submit customs processing and monitoring/reporting program to DESC-Europe for review and approval 7 days prior to contract performance start date.

Ensure integrity and security of product after customs processing. Re-seal truck compartments/manifolds as required and record new seal numbers on appropriate manifests. M&O contractor will purchase visually unique, one-time use, embossed, serially numbered seals and provide DESC-Europe and Government representatives at discharge locations a comprehensive list of purchased seal numbers.

M&O will make provisions, e.g. private office workspace, for DESC oversight personnel at Habur Gate.

M&O contractor will include status of Habur Gate in daily Situation Report, to include detailed information on delays or difficulties for trucks entering and exiting Turkey, suspected causes, and recommended solutions.

Zaho-Ibrahim Halil Gate / Iraqi customs and marshalling area.

Assist DESC transportation and fuel contractors with Customs processing (importation). Coordinate closely with Customs officials and Government representatives to ensure equitable treatment of drivers. Report

significant incidents or systemic problems, to include suspected causes and recommended solutions, to DESC-Europe in the daily Situation Report.

Ensure integrity and security of product after customs processing. Re-seal truck compartments / manifolds as required and record new seal numbers on appropriate manifests. M&O contractor will purchase visually unique, one-time use, embossed, serially numbered seals and provide DESC-Europe and Government representatives at discharge locations a comprehensive list of purchased seal numbers.

M&O contractor will report status of Zaho-Ibrahim Halil Gate in daily Situation Report, to include detailed information on delays or difficulties for trucks entering and exiting Iraq, suspected causes, and recommended solutions.

Track trucks by load date and license plate number inside Iraq (including delivery destinations) and provide, at a minimum, daily status reports to DESC-Europe, to include number of trucks at border, at customs, at border staging area, en route, waiting to discharge, and overdue.

Facilitate organization of convoys. Coordinate with US Army escorts to facilitate convoy transfer from contractor to Army control; coordinate with US Army and/or designated convoy escort authority on organization and operation of convoys.

Ensure an effective program is in place to assist drivers en route. Assist DESC transportation and fuel contractors with breakdowns, repair/recovery, accidents, and Force Protection issues. M&O contractor will not provide convoy security.

Report and document incidents, accidents and/or events affecting DESC transportation and fuel contractor mission performance to DESC-Europe in daily Situation Report. Suggest and implement improvements to the inland distribution mission.

Provide communications diagram inside the environs of Northern Iraq.

(10) Submit Northern Iraq processes and program to DESC-Europe for review and approval 7 days prior to contract performance start date.

Bayji (Mosul), Tikrit (Army Convoy Support Center) and delivery destinations:

Develop and implement a program to assist DESC transportation and fuel contractors in the performance of their mission in Northern Iraq.

Coordinate with US Army to maintain a list of authorized discharge locations and/or facilities, and implement processes to ensure trucks are not discharged at unauthorized locations. The M&O contractor is not responsible for signing fuel receipt documentations.

Monitor truck staging and discharge activities to ensure drivers' safety, security, and quality of life. The contractor will work with US Army personnel to resolve personnel issues and will provide detailed reports to DESC-Europe.

Spot-check trucks to ensure seals are intact prior to discharge. Contractor will observe discharge operations and submit detailed incident report to DESC-Europe in the event of a fuel quality discrepancy. Report will identify suspected causes and recommended solutions, as well as contact information for Government representatives and contractor personnel involved in the incident. M&O contractor is not responsible for performing lab work but maybe required to collect samples as directed by DESC Europe.

Provide translation assistance to the drivers, enabling them to communicate with US Army personnel and Government representatives. At least one translator must be on duty at each major discharge location during all hours in which trucks are being discharged.

Record discharge date, receipt location, and receiver's unit designation or Department of Defense Activity Address Code (DoDAAC) of each delivery by load date and truck plate number. The contractor will compile and submit this information at least weekly to DESC-Europe. The contractor will perform trend analysis to include reporting on diversions (intended destination vs. actual discharge destination) and reporting on accountability (number of trucks loaded vs. number of trucks discharged). The contractor will make recommendations to DESC-Europe for improving accountability or the inland distribution mission processes.

NOTE: US Army retains responsibility for the inland distribution mission. M&O contractor will not make distribution decisions.

Miscellaneous Responsibilities.

The M&O contractor will not be responsible for placing orders or certifying invoices. The M&O contractor will create and maintain a blacklist of drivers that may not work for DESC due to illegal or unethical behavior, to include, but not limited to, smuggling, stealing, and violence, or for security concerns. The M&O contractor will provide regularly updated versions of the blacklist to DESC-Europe and DESC transportation and fuel contractors, and will ensure the drivers do not work for DESC.

Attend meetings and briefings with American military and/or Government representatives as necessary.

M&O contractor is responsible for ensuring their own physical security and physical security of their personnel in Iraq.

The contractor will perform additional minor tasks related to management and oversight of the mission (e.g. create and submit new reports) as requested by DESC-Europe.

Within 1 week of award, provide initial Situation Report containing information described in paragraph 4c(i)(1) of this PWS. Provide updates as required. To the extent possible, maintain this information in electronic format available on-line to DESC-FI. If on-line access is not possible, provide updates to DESC-FI via e-mail.

GOVERNMENT FURNISHED INFORMATION

In order to facilitate contractor responsiveness, the US Government will provide information on the Operation IRAQI FREEDOM petroleum inland distribution mission and the evolving situation in theater within security constraints. Contractor access to and use of the information is subject to strict compliance with security requirements. In addition, the US Government will provide the contractor with pertinent information on DESC administrative plans, logistical needs, and technical requirements associated with this contract. The Contractor shall establish liaison with DESC to facilitate rapid communication of any information needs.

TRANSITION: The contractor must have all personnel in place no later than one week prior to the start of performance to observe the current operation.

B34.01.100 SERVICES TO BE FURNISHED AND PRICES (DESC AUG 2004)

The services to be furnished during the period specified and the prices are as follows:

The following services will be provided for a base period of One Year with six, one-month options. Rates shall also apply for the transition period beginning two weeks prior to contract performance start date.

Line Item 0001. The contractor will provide all necessary labor for accomplishing the required tasks. Cost will be reimbursed based on the rates provided below and actual hours expended. All payroll costs associated with labor expenses (wage rates, payroll taxes and insurance and other labor overhead) shall be included, along with applicable G&A and profit. Any other labor categories determined necessary after contract award may be added with DESC's approval.

Note: The estimated hours listed below will be used for price evaluation purposes only. Actual hours performed may be adjusted as necessary to accomplish the required tasks.

Iraq	Estimated Hours
Project Manager	2934
Project Director	2027
Office Supervisor	6595
Quality Surveillance	29527
Interpreter	788
Clerical/Data Input	33091
Security Driver	4489

Line Item 0002. Other Direct Costs (Estimated \$ 1,000,000 for the base period. All incurred costs not reimbursed under Line Item 0001 will be reimbursed under Line Item 0002. The contractor may add G&A (specify below) to the actual cost, but profit will not be allowed. G&A rate _____%.

Line Item 0003. Award Fee – The base period will have a total of \$225,000 available with \$56,250 allocated and potentially awarded at the end of each three-month period. \$18,750 will be available for each one month extension, if utilized.

(DESC 52.207-9F85)